

City of Hermosa Beach



Addendum V to Professional Services Agreement Dated December 5, 2001

Ongoing Flex-IT© Support

Statement of Work

June 4th, 2018

This addendum is incorporated into the Professional Services Agreement Dated December 5, 2001. This addendum defines the agreement for Prosum, Inc. (hereinafter referred to as "Prosum") to provide services as defined herein to the City of Hermosa Beach (hereinafter referred to as "Client" or "City").



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HB_AD0001708

1. Overview

The City of Hermosa Beach has requested that Prosum continue to provide ongoing, regularly scheduled support services to address the City of Hermosa Beach's IT needs. In addition, Prosum has been asked to provide strategic guidance related to the development and ongoing coordination of an IT Plan. Prosum will also provide ongoing project-based services engagements to address several of the more comprehensive projects which may be included in the IT Plan.

For almost a decade, Prosum has successfully executed technology projects and/or provided ongoing IT support services for the City of Hermosa Beach. As a result of this on-site work, Prosum has gained a strong working knowledge of the IT environment and business operations of the City. Furthermore, Prosum is well positioned to support the City on an ongoing basis, having played that role for a number of years and having established many of the related processes and tools that are currently in place.

This Statement of Work outlines Prosum's approach and estimate to continue to provide ongoing support services to the City of Hermosa Beach.

2. Approach

Prosum will provide ongoing support to City of Hermosa Beach through an offering called FlexIT. Prosum's FlexIT support offerings are designed to meet our clients' evolving support needs in a flexible manner. FlexIT provides an optimal combination of services designed to meet a company's specific IT support needs, with a coordinated suite of services bundled in a customized package.

- Scheduled on-site IT support
- Remote helpdesk and troubleshooting services
- On-call technical escalation resources
- Regular strategic IT planning
- Monthly monitoring reports and uptime statistics for production systems

This service offering is ideal for organizations with limited internal IT resources in some or all of the technology areas required by their business operations – from infrastructure and application maintenance, to helpdesk and desktop support.

Prosum's FlexIT is based upon the following key strategies.

1. Focus on IT Best Practices and Commitment to User Community:

- A. Systems and infrastructure Best Practices – by identifying recurring issues and eliminating their root causes; introducing server and networking best practices; instantiating policies and procedures; and standardizing system profiles whenever possible.

- B. Commitment to the user community – by giving users the tools and training needed to make them more autonomous. Self-service knowledge bases and FAQs, as well as ad hoc coaching and formal training in productivity tools are some examples.

This approach typically leads to a reduction of support costs, as resources are shifted from a reactive to a proactive mode: less time is spent responding to trouble tickets and reacting to incidents and more time is spent on the proactive introduction of new technologies and focusing on the organization's strategic IT goals.

2. Maintain a holistic, multidisciplinary team: Troubleshooting IT issues often involves testing and addressing related network infrastructure, operating system, and even procedural aspects, in addition to interpersonal and consultative skills. Prosum addresses this challenge in three ways:

- A. Ensuring that support resources have expertise in other important areas of IT skills and consulting. These include core problem-solving and communication skills, as well as technical skills including:
- LAN/WAN troubleshooting
 - Network Security
 - Remote access, including VPN
- B. Making Prosum's entire consulting staff available to our consultants for escalating ad hoc specialty issues. Because an important segment of our consulting staff is not dedicated to a specific client full-time, Prosum can increment the core support team with just-in-time resources specialized in:
- IT Planning and Management
 - Advanced Networking
 - Application Development and Integration
 - IT Support Services
- C. Prosum will work alongside existing staff and 'power users' to ensure a coordinated approach to ongoing support, and the identification of additional projects. Recognizing the value and expertise of the existing staff, Prosum's approach is to work side by side with the City of Hermosa Beach's staff with open and regular channels of communication to ensure the City of Hermosa Beach gets the most out of all of its personnel resources. Prosum will be sensitive to the time and workload of City of Hermosa Beach staff when engaging them during the course of Prosum's support role, and will also look for opportunities to conduct skills transfer to staff.

3. Remote Monitoring Managed Service:

In addition to on-site coverage during normal business hours, Prosum will provide 24/7 remote monitoring services for servers, network devices and peripherals. A complete listing of monitored devices is included in Exhibit A. By establishing proactive remote monitoring, Prosum resources will be alerted to problems, outages, and warnings immediately allowing for quicker response times.

Remote Monitoring services include:

- Proactive monitoring of servers, network devices and peripherals

- Monitoring of vital systems and alerts
 - Notification of any indication of an impending problem
 - Daily monitoring of data backup status
 - Server patch management
 - Detailed monthly reports
 - Application availability monitoring
- Prioritized response based on the Priority Definition tables in Section 3 Scope below
 - Response will be on a Best Efforts basis during NON-business hours

4. Facilitate Strategy/Satisfaction meetings: Included in FlexIT are periodic meetings whose goals are to:

- Ensure Prosum's services meet or exceed expectations, and remain aligned with City of Hermosa Beach's strategic business and IT objectives.
- Discuss general direction, new technology and infrastructure recommendations, as well as the creation or updating of the City of Hermosa Beach's information systems roadmap or strategic IT Plan.

In support of The City's four (4) day work week Prosum resources will be scheduled on-site or remotely available four (4) days per week (Monday through Thursday), with remote support available the remainder of the week and an option to escalate or engage other members of the Prosum team as needed.

3. Scope

Prosum will provide ongoing support to City of Hermosa Beach using a combination of on-site and remotely available resources. These resources will include the following:

Position	Responsibility
Consultants	<ul style="list-style-type: none"> ▪ Email coordination ▪ System upgrades ▪ Print services ▪ Remote access: VPN (Virtual Private Network), ▪ DNS (Domain Name Service) issues ▪ Escalation support ▪ Infrastructure <ul style="list-style-type: none"> ○ Switches ○ Routers ○ Servers ○ Cabling ▪ Basic LAN & wireless support ▪ Basic WAN support ▪ Server/Network Problem tracking and resolution ▪ Phone / telecommunications (limited to initial problem tracking only, not responsible for resolution) ▪ Documentation ▪ Equipment Inventory ▪ Payroll and Accounts Payable file transmission ▪ Backups, including off-site storage at Iron Mountain ▪ Setup/monitor satellite broadcasts ▪ Working with vendors to troubleshoot applications ▪ Updates of vendor databases ▪ Specialized Projects ▪ Resource and project management (Site Lead) ▪ Relationship management ▪ Procurement ▪ Quality ▪ Status reports (Site Lead) ▪ Product research ▪ IT Roadmap development (Site Lead) ▪ Guidance on technology/business trends (Site Lead)
IT Manager	<ul style="list-style-type: none"> ▪ Contract negotiation ▪ Escalation ▪ Relationship management ▪ IT steering committee facilitation ▪ IT Roadmap development

One consultant will be designated the Site Lead (IT Manager) and will coordinate activities on behalf of the team of consultants providing ongoing support and services. The Site Lead / IT Manager will be responsible for status reports and will assist with IT Roadmap development.

- Regularly scheduled resources and days
 - Prosum will provide coverage Monday through Thursday, by way of a combination of regularly scheduled on-site resources, as well as Prosum's remote helpdesk service. The schedule will be worked out on a week by week basis with City of Hermosa Beach management to ensure maximum productivity and progress.
 - Prosum will also provide strategic consulting (focus on developing and adhering to the strategic technology roadmap) on a to-be-determined schedule
 - Prosum will act as the City of Hermosa Beach's helpdesk, and will provide the appropriate tools for tracking, reporting and ensuring closure on open issues.
- Non-scheduled days
 - Prosum will provide remote telephone & email support during business hours on business days when on-site resources are not scheduled.
 - Prosum will provide a contact matrix with multiple Prosum technical contacts who can be called for technical phone support.
 - Average response time to a phone call will be within 30 minutes.
 - After initial phone response, problem resolution will begin according to the criticality of the problem (see table below).
- After hours, weekend and holiday support (non-business hours)
 - Prosum will provide unlimited responsive support Monday-Friday between 6am and 6pm (excluding official US holidays). Any urgent requests or emergencies that will require after-hours troubleshooting will be billed in hourly increments. The hourly rate will be based on the resource table in the "Pricing" section of this document.
- Remote diagnostics and problem resolution
 - Prosum will first login remotely via secure connection to diagnose and attempt to resolve any IT problem the City of Hermosa Beach staff may have, based on the Priority Definitions below.

- Problem resolution will be handled based on the following priority definitions:

Priority	Definition
P1 - High	Incident / Issue has negative business impact; data and productivity are not recoverable. Every effort and escalation trigger will be employed to bring systems online to include but not limited to internal Prosum SME or Vendor engagement.
P2 - Medium	Incident / Issue has negative business impact; data and productivity are recoverable. Considerable effort will be applied to ensure that incident does not become critical.
P3 - Low	Incident / Issue has no negative business impact but may impact the infrastructure. Effort will be applied as part of normal operational workflows.
P4 – Scheduled	Issues which have no immediate impact on the infrastructure may be assigned a lower “Scheduled Priority” and will be treated as such in the workflow process.

Prosum’s standard operating levels and actions are listed in the following table:

Priority	Actions
P1 High	<p>Incident / Issue has negative business impact; data and productivity are not recoverable. Example: Mail Server is down resulting in loss of ability to send/receive mail and some mail is lost</p> <ul style="list-style-type: none"> – All P1 issues require immediate escalation to the manager and Client Point of Contact – An engineer will begin working on these immediately and continue to work on this until the issue is resolved or the priority changes. Additional staff needed to resolve or reduce the priority will be escalated to as required. – Issue is escalated to the Prosum Consulting Management team and updated daily. – Updates are provided to the client at a minimum of every 4 hours. – If on-site support is needed, the resource will be dispatched.
P2 Med	<p>Incident / Issue has negative business impact; data and productivity are recoverable. Example: Mail Server is temporarily down with no lost mail, and mail is being queued but delayed.</p> <ul style="list-style-type: none"> – An engineer will begin working on these issues within 2 hours and continue until a resolution or workaround is provided resulting in an adjustment of priority. – If on-site support is needed, the resource will be dispatched.
P3 Low	<p>Incident / Issue has no negative business impact but is impacting the infrastructure. Example: One node of a cluster mail server has failed but all mail operations are normal.</p> <ul style="list-style-type: none"> – An engineer will begin working on these issues within 24 hours or a time will be scheduled and agreed upon by the requestor.

P4 Scheduled	<p>Incident / Issue has no negative impact on business or infrastructure. Example: A Service Pack is available for the mail server.</p> <ul style="list-style-type: none"> – An engineer will begin working on these issues within 48-72 hours or a time scheduled and agreed upon by the requestor. – All tickets will be initiated within one week of reporting or a time scheduled and agreed upon by the requestor.
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In addition, as time permits, Consultants may work on small projects that will be identified and tracked as part of the City of Hermosa Beach's IT Roadmap. Any projects that have significant scope or require significant hours from Prosum, or that will require additional resources, consultants, or expertise beyond that normally involved in supporting the City of Hermosa Beach will be out of the scope of this support agreement, in which case separate proposals can be provided by Prosum. Project work undertaken within the scope of this agreement will be on a best efforts basis.

4. Assumptions

- City of Hermosa Beach will assign a key point of contact(s) with decision-making and sign-off authorization on behalf of City of Hermosa Beach.
- Prosum will provide basic Helpdesk Services to the Police Department, Fire Department, and other City departments as needed. Any projects or problem resolution requiring significant Prosum resources must be approved by City of Hermosa Beach's key point of contact in advance.
- City of Hermosa Beach may authorize Prosum to schedule on-site work for special projects on a Friday or weekend. City of Hermosa Beach will use Prosum's remote helpdesk for handling issues and inquiries during days when Prosum is not on-site.
- While Client is free to use other IT Services providers, Client will inform Prosum of any intention in advance to ensure a coordinated approach by all technology resources.
- Prosum will work in a coordinated fashion with existing Client staff to provide effective support.
- Client will provide regular, dedicated workspace for Prosum personnel, and access to telephones, copier, fax, and printing facilities.
- Prosum will cover the cost of cross-training a backup or additional resource in order to provide redundancy in case of resource downtime or turnover.
- Any projects that have significant scope or require significant hours from Prosum, or that will require additional resources, consultants, or expertise beyond that normally involved in supporting the City of Hermosa Beach, will be out of the scope of this support agreement. A separate proposal can be provided at the City's request.
- The parties agree to review the Exhibit A list of monitored and "in scope" equipment on a quarterly basis. Should significant increases in the number of devices or complexity of the environment occur, an increase in the monthly fee may be necessary.

- Client acknowledges that certain issues and problems, particularly those related to switches, routers & servers may need to be escalated by Prosum’s consultant to additional specialists within Prosum. Escalation rates are outlined elsewhere in this Addendum.
- Remote support is dependent upon remote network access capabilities provided by Client. In the event that any critical systems covered under this support agreement are not accessible remotely, the effectiveness of remote troubleshooting support will be affected. During the course of this engagement, Prosum will work with the resources available at Client to improve remote access capabilities.
- Support of the current and future phone/telecommunications system is limited to initial triage only. Prosum is not responsible for troubleshooting and resolution. Additional support beyond incident tracking including but not limited to activities such as monitoring, managing, administering, and troubleshooting may require an increase in the monthly support fee and additional vendor and client support.
- Support of the audio / video systems throughout the City is limited to a best effort basis. Prosum is responsible for Ethernet network connectivity of the AV equipment, but lacks the overall expertise in the AV field to do advanced troubleshooting past the initial triage stage.
- Should onsite support be required for any scheduled meetings, Prosum should be notified at least 14 days in advance, so that a billable resource (based on the rates on page 9) may be provided.
- The City is responsible for securing cyber security insurance to mitigate any damages or losses that may result from network or system infiltration. Prosum is not liable for any damages or losses suffered by the City due to infiltration, and the City hereby releases, discharges, and holds harmless Prosum and its employees, agents, officers and directors from all claims, liability, losses or damages, and expenses including attorney’s fees, related to infiltration.

5. Schedule & Cost

Each quarter, the environment will be evaluated for items that may impact the ability to provide the support requested. All pricing assumes that devices within the environment meet minimum supportable standards (hardware under warranty, software under vendor support, and basic best practices in place).

THE COST OF ALL SERVICES WILL INCREASE BY 3% ANNUALLY AFTER THE INITIAL 12 MONTHS.

Remote and Onsite IT Support	\$156,465/year
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1. SERVICES
 - a. PROACTIVE SERVICES
 - b. RESPONSIVE SUPPORT
 - c. ADVISORY SERVICES

NOC Services and 24/7/365 Network Monitoring & Alerting	\$9,500/year
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1. ADVANCED NETWORK HEALTH MONITORING AND ALERTING

2. TICKETING AND ALERTING SYSTEM INTEGRATION
3. PERFORMANCE MONITORING, TRIAGE AND REMEDIATION
4. SERVER ROOM ENVIRONMENTAL MONITORING (TEMPERATURE AND HUMIDITY)
5. REMEDIATION OF ALL NETWORKING ALERTS

Security Tools and Threat Detection

\$12,000/year

1. ADVANCED ANTIVIRUS SOFTWARE PLATFORM & REMOTE MANAGEMENT
2. VIRUS/MALWARE PROACTIVE/REACTIVE MONITORING AND TICKETING SYSTEM INTEGRATION
3. EMAIL - SPAM FILTERING MONITORING, TROUBLESHOOTING AND CONFIGURATION
4. USER TRAINING – CYBER SECURITY AND EMAIL HYGIENE BEST PRACTICES (INCLUDES KNOWBE4 LICENSES VALUED AT ABOUT \$2,700)
5. INITIAL THREAT RESPONSE AND TRIAGE

Ongoing Support

The following services are included in the total monthly fees outlined above.

1. **Support Services.** Support coverage Monday – Thursday, with weekends and after hours covered on a best efforts basis.

The specific daily schedule for resources will be agreed upon by both parties and will likely remain identical to the current schedule. It is expected that the schedule will generally be consistent from week to week, but some flexibility will be necessary in order to optimize efficiency on the project work (for example, some projects are best suited for execution on Fridays, when no users are on the systems).
2. **IT Management & Strategic Guidance.** Escalation support, strategic recommendations and roadmap creation, and monthly reporting by Site Lead.
3. **Remote Monitoring.** Monitoring and alerting of status of key systems and devices.
4. **Semi-Annual IT Strategy Steering Committee Meetings (optional).** Discuss general direction, best practices, new technology and infrastructure recommendations, as well as the updating of City of Hermosa Beach's information systems roadmap with the Prosum CTO and/or key Practice Directors of Prosum's delivery team.

Approved projects outside the scope of this support agreement will require a new Statement of Work, will be billed on a time and material basis, and will be invoiced separately. The rates for projects and escalation (outside of the contract) will be as follows:

Role	Managed Services Client Rate
Project Manager	\$150
Enterprise Architect	\$225

Solutions and Technical Architects	\$200
Senior Systems and Network Engineers	\$175
Systems and Network Engineers	\$160
Desktop Support	\$125

Terms and Conditions

Term. The term of this Agreement is (12) months

Estimated Start Date: *July 1st, 2018*

Estimated End Date: *June 30, 2019*

Payment Terms. For Managed Services invoices, payment shall be due on the first (1st) day of every month for which services shall be provided. Invoices will be sent fifteen (15) days prior to the beginning of each month and are due Net 15.

Auto renewal: The term of this Addendum will extend automatically on a month to month basis unless another agreement is put in place or unless either party sends written notice to the other 60 days prior to time of expiration stating their intent to terminate this Agreement.

Termination for Convenience. Either party not in breach of this Statement of Work may, upon giving three (3) months written notice to the other party, terminate this Statement of Work at any time for convenience. Should the City be the terminating party, Prosum will help transition IT Support to the City personnel or another service provider. If the termination notice does not occur on a monthly anniversary of the start date, then the City will be billed a pro-rated portion of the monthly fees.

6. Insurance

Prosum will carry insurance as listed below and shall provide the City with a certificate verifying such coverage or endorsement acceptable to the City before commencing services under this Agreement. Such policies shall require thirty (30) days' notice to the City in writing prior to cancellation, termination, or expiration of any kind. Where applicable, the City, its officers, agents and employees shall be named as additional insured by endorsement to the policy.

(a) **Worker's Compensation:** In accordance with State Compensation Laws, for all persons employed in the performance of services as set herein.

(b) Comprehensive Liability \$1,000,000 Combined Single Limit, per occurrence, and aggregate for following:

Premises and Operations
Contractual Liability
Personal-Injury Liability
Independent Contractors
Liability (if applicable)

(c) Professional Liability: \$1,000,000 per occurrence and annual aggregate.

Prosum agrees to indemnify the City, its officers, employees and agents against, and will hold and save each of them harmless from, any and all actions, claims, damages to persons or property, penalties, obligations or liabilities that may be asserted or claimed by any person, firm, entity, corporation, political subdivision or other organization arising out of the negligent acts or intentional tortious acts, errors or omissions of Prosum, its agents, employees, subcontractors, or invitees, provided for herein. Prosum will defend any action or actions filed in connection with any of said claims, damages, penalties, obligations or liabilities and will pay all costs and expenses, including attorneys' fees incurred in connection herewith. Prosum will promptly pay any judgment rendered against City, its officers, agents or employees for any such claims, damages, penalties, obligations or liabilities. In the event City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Prosum for such damages or other claims arising out of or in connection with the negligence of Prosum hereunder, Prosum agrees to pay City, its officers, agents, or employees, any and all costs and expenses incurred by City, its officers, agents or employees in such action or proceeding, including but not limited to reasonable attorney's fees.

7. Additional Terms

Assignability

Prosum shall not assign or transfer interest in this contract without the prior written consent of the City.

Subcontracting

Prosum shall not be permitted to subcontract any portion of this contract without the express written consent of the City.

Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of California, and all applicable federal statutes and regulations as amended.

Conflicts of Interest

No member of the governing body of the City and no other officer, employee, or agent of the City who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Agreement; and Prosum

further covenants that in the performance of this Agreement, no person having any such interest shall be employed.

Accounting Records

Prosum must maintain accounting records and other evidence pertaining to costs incurred which records and documents shall be kept available at the Prosum's California office during the contract period and thereafter for three years from the date of final payment of funds hereunder.

Independent Consultant

Prosum is and shall at all times remain as to the City a wholly independent consultant. Neither the City nor any of its agents shall have control over the conduct of Prosum or any of Prosum's employees, except as herein set forth. Prosum shall not at any time or in any manner represent that it or any of its agents or employees are in any manner agents or employees of the City.

8. Change Order

Once the contract has been signed, any modifications to the scope of work described herein will require a change order. A change order will define new requirements and impact on delivery time and cost.


9. Acceptance

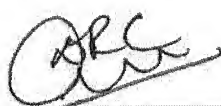
This document will be deemed accepted upon receipt of a signed copy thereof. Contents of this document supersede all other documents related to the services described herein. If this document correctly states our agreement, please sign below and return to Prosum.

Agreed and accepted,

City of Hermosa Beach

Prosum

BY: 
(Authorized Signature)

BY: 
(Authorized Signature)

PRINT: Jeff Duclos

PRINT: DEEPIKA BHATIA

TITLE: Mayor

TITLE: VP

DATE: 7-24-18

DATE: July 2018

Exhibit A: List of Monitored Devices and Servers

Servers		
CHB-APP-01	PD Server Room	Application Server
CHB-DC-01	PD Server Room	Domain Controller, DNS, Print Server
CHB-DC-02	PD Server Room	Domain Controller, DNS, Print Server
CHB-EDEN	PD Server Room	EDEN
CHB-FS-01	PD Server Room	File Server
CHB-GIS	PD Server Room	GIS/WinCan/SQL 20012
CHB-GRANICUS	City Hall Server Room (Basement)	Granicus App Server
VxRAIL Module (3)	PD Server Room	VMware Hosts
LaserFiche Servers (4)	PD Server Room	City's LF Servers
CHB-HV-03	PD Server Room	Hyper-V Host Server
CHB-PD-DC-01	PD Server Room	Domain Controller, Print Server
CHB-PD-DC-02	PD Server Room	Domain Controller, Print Server
CHB-RMS	PD Server Room	RMS Server for FD
DATTO BACKUP SERVER	City Hall Server Room (Basement)	Backup Appliance
HBAPPS03	City Hall Server Room (Basement)	ACCELA/ Quadrant
HBBLWEB	PD Server Room	Business License Web Renewal
GISPROXY	PD Server Room	Proxy Server for GIS Server
PD-LFS-01	PD Server Room	LaserFiche Server
PD-SQL-01	PD Server Room	SQL
PD-FS-01/02	PD Server Room	PD File Servers
PD-ADFS	PD Server Room	ADFS Server
NETWORKING GEAR		
City Hall Firewall	City Hall Server Room (Basement)	Firewall/VPN/Internet Access
Aruba MST 200 Wireless Bridges (6)	City Hall (2), City Yard (1), Base 3 (1), Community Resources (1), Spare (1)	Network/Internet Access
HP 2920 Switch Stack (3)	City Hall Server Room (Basement)	Network Switching
HP 2920 Switch Stack (2)	PD Server Room	Network Switching
HP 2920 Switch	PD Motor Office	Network Switching
HP 2920 Switch	City Yard	Network Switching
HP 1920 POE Switch	PD Server Room	Network Switching
HP 1920 POE Switch	City Hall Server Room (Basement)	Network Switching
Aruba IAP 275	City Hall – Outside Wall	Wireless Connection
Aruba AIP 115 (2)	Fire Department	Wireless Connection
Aruba IAP 215 (19)	City Hall, PD. ComRes, Base3, City Yard	Wireless Connection
Cisco Switch	Community Resources	Network Switching
Hawthorne Router	PD Basement	WAN connectivity
Cisco 3750X	PD Server Room	Network Switching
Cisco 2960 Switch	PD Server Room	Network Switching



Staff Report

File #: REPORT 18-0433, Version: 1

Honorable Mayor and Members of the Hermosa Beach City Council
Regular Meeting of July 10, 2018

**APPROVAL OF IT CONTRACT WITH PROSUM
TECHNOLOGY SERVICES FOR ONGOING NETWORK
AND INFORMATION TECHNOLOGY SUPPORT, NETWORK
OPERATING CENTER SERVICES, AND FOR SECURITY
TOOLS/THREAT DETECTION**
(Finance Director Viki Copeland)

Recommended Action:

It is recommended that City Council approve a one year contract with Prosum Technology Services for ongoing network and information technology (IT) support in the amount of \$156,465, \$9,500 for Network Operating Center Services (NOS) and \$12,000 for Security Tools/Threat Detection.

Background:

At the Public Hearing for the Adoption of the 2018-19 Budget on June 12, 2018, City Council discussed a need to test the market on a periodic basis for functions that have been outsourced, such as IT services. Funds were included for these services with budget adoption.

On October 13, 2016, an item was considered by the City Council regarding issuance of RFP's for contracted (outsourced) services. City Council directed staff to provide an annual performance review of these services on an annual basis with budget adoption when the contracts are submitted for approval. Staff has indicated satisfaction with contracted services with the 2017-18 and 2018-19 Preliminary Budgets.

Analysis:

Considering that a change in the IT contract would have organization-wide ramifications, including Public Safety, it would be helpful for the new City Manager to complete an assessment of operations prior to submission of a timeline for testing the market.

For 2018-19, the base contract includes a 3% CPI increase and new service includes \$9,500 for 24/7/365 Network Monitoring, Alerting and \$12,000 for Security Tools, Threat Detection.

Respectfully Submitted by: Viki Copeland, Finance Director
Approved: John Jalili, Interim City Manager